

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SOUDER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 221, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

DISASTER MITIGATION COORDINATION ACT OF 1999

Mr. TALENT. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 818) to amend the Small Business Act to authorize a pilot program for the implementation of disaster mitigation measures by small businesses.

The Clerk read as follows:

H.R. 818

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Disaster Mitigation Coordination Act of 1999".

SEC. 2. PILOT PROGRAM.

(a) IN GENERAL.—Section 7(b)(1) of the Small Business Act (15 U.S.C. 636(b)(1)) is amended—

(1) in subparagraph (B), by adding "and" at the end; and

(2) by adding at the end the following: "(C) during fiscal years 2000 through 2004, to establish a disaster mitigation program to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred (guaranteed) basis) as the Administrator may determine to be necessary or appropriate to enable small business concerns to implement mitigation measures pursuant to a formal disaster mitigation program established by the Federal Emergency Management Agency, except that no loan or guarantee may be extended to a small business concern under this subparagraph unless the Administration finds the concern is otherwise unable to obtain credit for the purposes described in this subparagraph."

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 20 of the Small Business Act (15 U.S.C. 631 note) is amended by adding at the end the following:

"(f) DISASTER MITIGATION PILOT PROGRAM.—The following program levels are authorized for loans under section 7(b)(1)(C):

"(1) \$15,000,000 for fiscal year 2000.

"(2) \$15,000,000 for fiscal year 2001.

"(3) \$15,000,000 for fiscal year 2002.

"(4) \$15,000,000 for fiscal year 2003.

"(5) \$15,000,000 for fiscal year 2004."

(c) EVALUATION.—

(1) IN GENERAL.—On January 31, 2003, the Administrator of the Small Business Administration shall submit to the Committees on Small Business of the House of Representatives and the Senate a report on the effec-

tiveness of the pilot program authorized by section 7(b)(1)(C) of the Small Business Act, as added by subsection (a) of this section.

(2) CONTENTS OF REPORT.—The report shall include—

(1) information relating to—

(A) the areas served under the pilot program;

(B) the number and dollar value of loans made under the pilot program; and

(C) the estimated savings to the Federal Government resulting from the pilot program; and

(2) such other information as the Administrator determines to be appropriate for evaluating the pilot program.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Missouri (Mr. TALENT) and the gentleman from Washington (Mr. BAIRD) each will control 20 minutes.

The Chair recognizes the gentleman from Missouri (Mr. TALENT).

Mr. TALENT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I begin by thanking my colleague, the ranking member on the Committee on Small Business, the gentlewoman from New York (Ms. VELÁZQUEZ), for her assistance in moving this bill and also my colleague from Washington (Mr. BAIRD) for his assistance in handling it.

Mr. Speaker, H.R. 818, the Disaster Mitigation Act of 1999, is a common-sense approach to applying the principle of preventive care in coping with natural disasters. H.R. 818 is substantially identical to a measure reintroduced by Senator CLELAND, the measure which actually passed the Senate last year. It is part of the administration's budget request, and it has substantial bipartisan support.

Since 1953, the Small Business Administration has administered the Disaster Loan Program authorized by section 7(b) of the Small Business Act. This program provides loans to help small businesses rebuild after natural disasters.

In past years, the loan program has spent billions of dollars helping small businesses recover from natural disasters. For example, in fiscal year 1998, the SBA lent \$728 million for 30,154 disaster loans. In 1997, it lent \$1.1 billion for 49,515 disaster loans. In 1994, the SBA's highest demand came when it loaned over \$4.1 billion for damage done due to the Northridge Earthquake in California. It was important, Mr. Speaker, that we do this to help people recover from the damage inflicted by natural disasters.

We should also recognize that the cost of disaster assistance has risen over the past several years due to increases in construction and other costs, and it is clear that efforts must be made to help prevent this kind of damage in the first place, both to prevent the human injury and toll and also to hold down costs to the taxpayers. Implementing the program to help small businesses use techniques to lessen damages caused by natural dis-

asters offers the potential to save much anguish for many people across the United States and also to save millions of dollars in the future.

The Federal Emergency Management Agency currently manages Project Impact which works in conjunction with communities and businesses on such mitigation policies and techniques. Passage of H.R. 818 will complement and further these efforts at mitigation by offering small businesses low-interest loans for disaster mitigation through the Small Business Administration.

H.R. 818 authorizes the SBA to establish a pilot program to make loans to small businesses for purposes of mitigating the effects of natural disasters. These loans will be made in support of the mitigation program established at the Federal Emergency Management Agency. The mitigation techniques are varied. They include a wide range of activities, including building improvements, relocation and the like.

H.R. 818 will authorize SBA to lend up to \$15 million each year through fiscal year 2004 in support of the Disaster Mitigation Pilot Program. These funds will come from existing section 7(b) disaster loan appropriations and will be subject to appropriations available for that program, so the bill does not authorize any new Federal spending.

Finally, H.R. 818 will require the SBA to report to Congress on January 31, 2003. The report will document the number of loans made, the areas served by the pilot and the estimated savings to the government as a result of the program.

I want to again thank my colleagues, the gentlewoman from New York (Ms. VELÁZQUEZ), and my friend, the gentleman from Washington (Mr. BAIRD), for their assistance in moving the measure before us. Mr. Speaker, I urge my colleagues to support H.R. 818.

Mr. Speaker, I reserve the balance of my time.

Mr. BAIRD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to begin by thanking my distinguished colleague from the great State of Missouri, the chairman of the Committee on Small Business, for his work in bringing this bill to the floor today and for his initiative in seeking measures to assist and prevent disasters throughout the country. I would also like to thank my colleague from New York, the distinguished ranking member, who has joined in working to prevent disasters and provide assistance for the victims of disasters.

Mr. Speaker, today we are talking about the need to adequately support people whose lives have been devastated by natural disasters. I happen to live in a district where disasters are not uncommon. With Mount Saint Helens in our district, with heavy rainfall

and, unfortunately, with recent landslides, we face a growing need, unfortunately, to have our citizens prepared to prevent and to respond to disasters when they do occur.

Just last week I spent dozens of hours working with a group of citizens from a neighborhood in Kelso, Washington, whose homes have been completely destroyed by a slow-moving landslide. From this experience I have learned a great deal about what happens to families and to neighborhoods when disaster strikes, and I know how imperative it is to help those folks cope with disasters once they occur. I also believe that we need to do more to focus on disaster prevention, and it is to that issue that we speak today.

In the past 10 years, FEMA has spent over \$20 billion to help rebuild communities after natural disasters, and the SBA has approved billions more in loans during that same period of time. In 1998 alone, SBA approved over 30,000 loans valued at approximately \$728 million. As I speak to my colleagues today, the Cascade Mountains in Washington State are laden with more than two times the normal average snow pack, and if we have an unfortunate weather occurrence, the probability of flooding is quite high. So clearly any approach, such as that which we are discussing today, to minimize damages resulting from natural disasters has the potential to reduce costs to all our taxpayers and, more importantly, to save peoples' lives and homes.

For that reason, I have been strongly supportive of the Impact Program of FEMA that incorporates a simple philosophy: Invest today in long-term prevention so that we may reduce damages resulting from natural disasters. By taking modest steps in advance, we really can save money; and, more importantly, we can save lives.

The operative notion today is money spent in prevention will save all of us money in post-disaster assistance. This legislation will create a demonstration program at SBA. It will provide low-interest loans to small businesses to finance measures that might reduce property loss and increase worker safety in the event of a natural disaster. It authorizes SBA to finance up to \$15 million in new loans each year for 5 years and to award those loans to businesses who want to make the necessary changes to reduce disaster impact. This bill also contains an accountability measure. It requires the SBA administrator to report to Congress in the fourth year of the program regarding the number of loans it provided and the estimated savings to the taxpayers and the government that will result from the mitigation efforts.

Mr. Speaker, in our own lives we all try to anticipate risks and try to do what we can to prevent them. Today's effort represents a common-sense, bipartisan approach to minimizing dis-

aster impact. It has the support of Republicans and Democrats alike because it has the potential to save taxpayers' money and to save the lives of our citizens.

So, again, I want to express my profound appreciation to the chairman and to the ranking member and encourage my colleagues in joining me today in support of this legislation.

Mr. Speaker, I yield such time as she may consume to the gentlewoman from New York (Ms. VELÁZQUEZ).

Ms. VELÁZQUEZ. Mr. Speaker, I want to thank the gentleman from Washington (Mr. BAIRD) for yielding this time to me.

Mr. Speaker, I rise today in strong support of H.R. 818, the Disaster Mitigation Pilot Program.

Traditionally, business owners have only been able to get help after a natural disaster has struck and caused damage to their business. For many small businesses, this assistance comes too late to save them from economic ruin. The loss of revenue and time needed to recover causes countless businesses to fail. Instead of being able to rebuild, many communities are faced with a loss of jobs as many businesses permanently close after a disaster.

We have seen this happen again and again over the past few years. Hurricanes, floods and wildfires have threatened economic stability and the future of communities across this Nation. However, until today, businesses have only been able to get help after it is too late. Today's legislation will change this story.

Mr. Speaker, today we are taking an important step in being proactive rather than just reactive to natural disasters. H.R. 818, the Disaster Mitigation Pilot Program, authorizes \$75 million to be used by SBA in cooperation with FEMA over the next 5 years to help businesses in disaster-prone areas take preventive measures to avert or minimize damage should disaster strike. By enabling businesses to take preventive measures which mitigate the damages caused by floods, hurricanes and other disasters, this program would allow them to recover much faster. Therefore, instead of going out of business, they will be able to get back to business much quicker than ever before.

The Disaster Mitigation Program is a common-sense approach to helping businesses cope with disasters. The program also makes fiscal sense. Some estimates show that every dollar spent on mitigation saves \$2 in money that will otherwise have to be spent on post-disaster response. Not only will businesses and taxpayers come out ahead, but the American economy will as well.

Finally, I would like to thank the gentleman from Washington (Mr. BAIRD) and the gentleman from Missouri (Mr. TALENT). Their constituents face the threat of natural disaster, and

their insight and hard work on this legislation have been a great help to all of us. I strongly support H.R. 818, and I urge my colleagues to vote for this important piece of legislation.

Mr. BAIRD. Mr. Speaker, I yield such time as she may consume to the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN).

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Mrs. CHRISTENSEN. Mr. Speaker, I thank my esteemed colleague, the gentleman from Washington (Mr. BAIRD) for yielding time to me.

I also want to take this opportunity to commend our hard-working chairman, the gentleman from Missouri (Mr. JIM TALENT), and the ranking member, the gentlewoman from New York (Ms. NYDIA VELÁZQUEZ) for their leadership and creativity which is providing unprecedented support for small businesses across the country.

Mr. Speaker, I rise today to join my colleagues and express my strong support for H.R. 818, a bill which authorizes \$15 million for the Disaster Mitigation Pilot Program of the Small Business Administration. Although there is hardly a part of this country that has not been victimized by natural disasters, as Members know, I represent a district, the U.S. Virgin Islands, which has been devastated by over 5 major hurricanes over the past 10 years. I therefore know firsthand the importance of the Small Business Disaster Assistance Program.

As a matter of fact, the Virgin Islands has utilized \$388 million in disaster loan assistance since that time, third only to California and Florida.

Mr. Speaker, we need to pass this legislation. Once H.R. 818 is enacted into law, the SBA will be joining FEMA's Project IMPACT in providing a means for businesses to mitigate the effects of hurricanes. It will be reducing the overall damage to the community that these storms can cause.

I am a resident of the island of St. Croix, which is a Project IMPACT designee, and has been cited by FEMA for its successful mitigation efforts in decreasing damage, injuries, and recovery costs to that agency. Hurricane Georges came through the Virgin Islands, but we heard very little about it because we were prepared. We are a testimony to the fact that mitigation works.

This is a program that I know will be embraced by communities across the country as they try to deal with disasters. I urge the passage of H.R. 818.

Mr. BAIRD. Mr. Speaker, it is encouraging to hear how successful this program can be.

Mr. Speaker, it is a pleasure to yield such time as he may consume to the gentleman from Illinois (Mr. DAVIS).

Mr. DAVIS of Illinois. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in support of H.R. 818, the Small Business Disaster Mitigation Coordination Act. This is a \$15 million effort to help small businesses in disaster-prone areas to take preventive measures to avert and minimize damage due to natural disasters.

This bill, as we have already heard, will further assist FEMA and the SBA in reducing disaster losses by focusing the energy of these departments on the importance of helping small businesses prepare and recover from natural disasters.

By passing H.R. 818, Congress will help FEMA and the SBA provide more disaster assistance to one of the most vulnerable segments of our society, small and very small businesses.

For instance, on August 16th, 1997, severe thunderstorms released heavy amounts of rain in a short period of time. The National Weather Service reported that over 4 inches of rain fell in less than 2 hours on the West Side of Chicago and in neighboring suburban communities. As much as 6.1 inches of rain were recorded in some areas.

The rate of rainfall produced flash flooding that severely overloaded the stormwater drainage system. With nowhere else to flow, the rainwater backed up into literally thousands of basements in the city of Chicago, destroying homes and businesses alike. This bill will enable these businesses to apply and receive loans to prepare before disasters like this one strike.

Mr. Speaker, I think this is an excellent proposal put forth by the Committee on Small Business. I think once again this committee has risen to the occasion. It saw a need, recognized a problem, and got in front of it. So I want to commend the gentleman from Missouri (Chairman TALENT) and the ranking member, the gentlewoman from New York (Ms. VELÁZQUEZ) for making sure that we as Congress do our part to prevent disasters from devastating the small businesses of our Nation.

Mr. BAIRD. Mr. Speaker, it is a pleasure to yield such time as she may consume to the gentlewoman from California (Mrs. NAPOLITANO).

Mrs. NAPOLITANO. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, this is a very important issue for California, and I am sure Members understand that California has been through floods, fire, and earthquakes in the last 5 years that have necessitated the heavy assistance from FEMA that comes in reactively.

We certainly endorse the thrust of this H.R. 818, and commend both sides for the effort they are putting into working effectively to help small businesses be able to be proactive in an area that is of vital concern to the whole Nation, not just California.

This would enable my small businesses to be able to move some of their

infrastructure to where the damage, whether it is a fire or flood, will be less devastating, and in earthquakes, be able to assist a small business survive the rock and rolling that happens in an earthquake in California by being able to strap down their most important pieces of equipment, so they are not damaged.

So it is very essential for us, and I would hope that it would be a slightly larger amount than \$15 million a year for 5 years. I think California alone would be able to use that amount, but the effort is what counts. I am sure that both sides will understand, and small business will thank their representatives for being able to understand how important this piece of legislation will be.

I heartily ask both sides to consider that this bill will be a very highly proactive small business bill, because it will be small business that will benefit from it.

Mr. BAIRD. Mr. Speaker, I yield such time as he may consume to the gentleman from Guam (Mr. UNDERWOOD).

Mr. UNDERWOOD. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I stand in strong support of H.R. 818, and I congratulate the gentleman from Missouri (Mr. TALENT), the chairman, the gentlewoman from New York (Ms. VELÁZQUEZ), and the gentleman from Washington (Mr. BAIRD) for their efforts in this regard.

For many people nationwide, I think Guam is synonymous with a number of things. One of them is certainly natural disasters. Guam's location as the "center arrow" of the Pacific Ocean's typhoon alley has made my island community prone to disasters, sometimes on an annual basis. In this decade alone, Guam has been subjected to at least a dozen typhoons. At one time, five had hit Guam in the span of 3 months.

As many may recall, the most recent storm, Typhoon Paka, devastated the island in December of 1997 and caused property damage of over \$100 million. On top of these storms, Guam also became a victim of an 8.2 earthquake in 1994, which has been one of the strongest recorded in the Pacific in this century.

H.R. 818 is good legislation. It is proactive, and it will prepare communities, and in particular small businesses, for recovery. SBA already assists my island community by giving SBA disaster loans, and along with FEMA, SBA provides a Federal team that almost every citizen in Guam knows about. I think very few communities could state that their citizens know of what FEMA and SBA disaster loans are all about.

This legislation will help small businesses prepare for disasters, perhaps reducing expenses at the other end of disasters, help communities recover

quickly, because small businesses help generate economic activity, which will cause immediate recovery.

Reacting to a storm plagues many communities with confusion. This pilot program aims to empower the business community with information and mitigation activities which will prevent serious losses.

As the previous speaker noted, \$15 million is a very small amount, and we understand that this is a pilot project. We understand, too, that the territories are full partners in this program. We certainly hope that in coming years the amounts will be expanded, and we will do everything we can to make sure this pilot project is a success.

I thank both sides for their efforts in this regard.

Mr. BAIRD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as the statements of my colleagues clearly indicated, the need for preventative, proactive, advanced measures to prevent the damages of natural disasters is clear.

I would like to commend the chairman of this committee for his foresight, his initiative, in moving this bill forward. I would like to thank him and thank the ranking member, the gentlewoman from New York (Ms. VELÁZQUEZ) for her support as well. This is a bill that has common sense, it will save the taxpayers money, and it has bipartisan support. I strongly urge my colleagues on both sides to support it.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. TALENT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I will close briefly. I appreciate very much the comments from my colleagues in support of this legislation.

I want to make a couple of points in closing, Mr. Speaker. One is that we certainly are given to understand that it is the intention of the administration to implement this legislation quickly, and I would hope that is the case.

It is just a pilot program. There is no reason why it should not be more than a pilot program. It makes perfect sense, and it is going to help a lot of people. That is what it comes down to. So we hope that the administration, the executive branch, will move quickly in implementing this, and the Committee on both sides of the aisle is going to assist in any way that we can.

The second point I wanted to emphasize, Mr. Speaker, is as we have all noted, we hope that this does save dollars for the Federal government, for the Federal Treasury. I am confident it will do that. But the human cost of disasters is what we really have to look at here.

On a very practical level, to the extent we can make this program a working program, it means that small business people on flood plains, small business people on coasts that are consistently battered by typhoons or hurricanes, will have the opportunity to prevent this damage from occurring. They can get glass windows replaced by plexiglass. If they are a small accounting firm in a building, they can get the building raised so that the flood does not affect them as much as it otherwise would.

Anybody, Mr. Speaker, who has talked to individuals whose lives have been devastated by natural disasters knows how important it is that we give them an opportunity to prevent that from occurring in the first place. That is what H.R. 818 does. I commend it to all the Members of the House.

I thank, once again, my colleagues on the other side of the aisle, and in particular, the gentlewoman from New York (Ms. VELÁZQUEZ) for her assistance.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. STEARNS). The question is on the motion offered by the gentleman from Missouri (Mr. TALENT) that the House suspend the rules and pass the bill, H.R. 818.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. TALENT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous matter on H.R. 818.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

EXPORT APPLE ACT

Mr. COMBEST. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 609) to amend the Export Apple and Pear Act to limit the applicability of the Act to apples.

The Clerk read as follows:

H.R. 609

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SCOPE OF EXPORT APPLE AND PEAR ACT.

(a) SHORT TITLE.—The Act of June 10, 1933 (7 U.S.C. 581 et seq.; commonly known as the Export Apple and Pear Act), is amended by adding at the end the following new section:

“SEC. 11. This Act may be cited as the ‘Export Apple Act’.”.

(b) DEFINITION OF APPLES.—Section 9 of such Act (7 U.S.C. 589) is amended by striking paragraph (4) and inserting the following new paragraph:

“(4) The term ‘apples’ means fresh whole apples, whether or not the apples have been in storage.”.

(c) ELIMINATION OF REFERENCES TO PEARS.—Such Act is further amended—

(1) by striking “and/or pears” each place it appears in the first section and sections 5 and 6; and

(2) by striking “or pears” each place it appears in the first section and sections 2, 3, and 4.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas (Mr. COMBEST) and the gentleman from Texas (Mr. STENHOLM) each will control 20 minutes.

The Chair recognizes the gentleman from Texas (Mr. COMBEST).

Mr. COMBEST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Export Apple Act replaces the Export Apple and Pear Act, which was enacted on June 10, 1933. Currently, this 66-year-old legislation requires that apples and pears meet certain standards prior to export in order to ensure only high-quality U.S. fruit moves into foreign commerce.

H.R. 609 amends the 1933 act by removing pears from the language, and it will be permitting the means to increase the export of pears.

H.R. 609, which is sponsored by the gentleman from Oregon (Mr. WALDEN) removes pears from the act, thereby allowing U.S. exporters greater flexibility in the changing international marketplace and the opportunity to increase exports by gaining a foothold in emerging markets.

The USDA has advised the committee that mandatory Federal quality standards for pears are no longer needed to assure the high quality of exporting pears. The USDA supports enactment of H.R. 609. As world economies improve and areas of trade continue to decrease, new market opportunities for fresh pears arise. In order to provide the flexibility to meet the requirements of these new opportunities, H.R. 609 should be passed, and I would urge that my colleagues support this legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. STENHOLM. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 609, which updates the Apple and Pear Export Act. For many years, the Apple and Pear Export Act served pear growers well by ensuring a quality product to consumers overseas. The pear industry is now seeking greater flexibility to sell its product in emerging markets around the world.

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Recently, the sale of 200,000 cartons of pears to Russia was made possible by a January, 1997, amendment to the act

that allowed for the shipment of a more competitive grade of pears to that country. Our farmers are increasingly dependent on foreign markets. It is therefore essential that regulations governing the agricultural industry be designed to help producers compete in those markets.

Mr. Speaker, I urge my colleagues to support this regulatory improvement that will give pear growers greater flexibility to market their product.

Mr. Speaker, I reserve the balance of my time.

Mr. COMBEST. Mr. Speaker, I yield such time as he may consume to the gentleman from Oregon (Mr. WALDEN), the gentleman who sponsored this bill and has done a great job in just a few weeks of getting this bill moved forward. We appreciate and commend his work.

Mr. WALDEN of Oregon. Mr. Speaker, I thank the gentleman from Texas (Chairman COMBEST) and the gentleman from Texas (Mr. STENHOLM) for their support of this legislation, and I appreciate the opportunity to speak on this measure.

Mr. Speaker, H.R. 609 will help expand export markets for our Nation's pear growers. The Export Apple and Pear Act passed in 1933 required that apples and pears meet certain standards prior to export to ensure that only the top quality pears and apples were exported.

The United States Department of Agriculture has stated that, because of private contractual arrangements between buyers and sellers, increasingly those arrangements are controlling the quality of U.S. pear exports. The USDA believes that mandatory Federal quality standards, as currently established under the act, are no longer needed to assure the high quality of exported pears.

As new markets have opened up in the last decade, opportunities for sale of lower grade and less expensive pears have arisen. Because of the 1933 act, U.S. producers and exporters of pears have been unable to meet the demand for lower grade pears in other countries without receiving a waiver of the act from USDA.

The pear industry has on two occasions over the past decade petitioned and received a waiver from the USDA to sell non-U.S. Grade Number One and Fancy Grade winter pears in the emerging markets of Central and South America and Russia. The waiver for Russia allowed the industry to sell 200,000 cartons of pears to that Nation in 1997. Past experience indicates that when these markets can afford it, they will move on to purchase our higher grade fruit.

As world economies improve and barriers to trade continue to decrease, new market opportunities for fresh pears arise. This legislation will allow our pear growers to get a foothold in